

457(b) Hardship Withdrawals and Loan

Withdrawals

Withdrawals from your account balance can be made upon termination, disability, hardships, retirement and death.

Loans

You may borrow money from the plan by taking up to one loan at a time. Your maximum loan balance may not exceed the lesser of one half of your vested account balance or \$50,000.

You may not initiate a loan for less than \$1,000. Your loan is secured by your remaining account balance. You must repay loans within five years. However, if you take a loan to acquire a principal residence, the loan repayment period may be up to 15 years. The interest rate on your loan will be the prime rate +2%. You pay back the principal and interest directly to your account through payroll deduction. If you don't repay your loan, the IRS considers the unpaid amount to be a taxable payment made to you.

Contact Empower Retirement

You may also log on to retiresmart.com/cityofmemphis or call the Empower Customer Care Center at 800-743-5274. Representatives are available weekdays from 7 a.m. to 7 p.m. Central time.

For one-on-one plan assistance and questions, contact your education consultant: Austin Maness
Austin.Maness@empower-retirement.com 901-864-8211